

HOUSE JOINT RESOLUTION 125

By Rudd

A RESOLUTION calling for federal legislation to permit a gas tax discount for Tennessee residents.

WHEREAS, Tennessee currently primarily funds road projects with revenue from the tax on gasoline and diesel fuel; and

WHEREAS, out-of-state drivers that use Tennessee roads currently pay a significant portion of the gasoline and diesel fuel tax collected; and

WHEREAS, the current arrangement makes out-of-state drivers pay for the benefits of Tennessee roads in proportion to their use; and

WHEREAS, Tennessee may fund future road projects with a mixture of sales tax revenue, which is primarily paid by Tennesseans, and gas tax revenue, which is more evenly split between Tennesseans and out-of-state drivers; and

WHEREAS, this new funding structure could unfairly force Tennesseans to subsidize out-of-state drivers' use of Tennessee roads; and

WHEREAS, out-of-state drivers ought to pay a higher tax on gasoline and diesel fuel than Tennesseans to offset the sales tax revenue that may pay for the roads but is primarily paid by Tennesseans; and

WHEREAS, an increase in the fuel tax paid by out-of-state drivers could be implemented in such a way as to keep the total percentage of Tennessee road costs paid by out-of-state drivers equal to what it is now; and

WHEREAS, federal law arguably does not permit Tennessee to provide a gas tax discount or rebate to Tennesseans to permit an equal distribution of the burden of road costs based on use; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED TENTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that the General Assembly calls on the Tennessee Congressional Delegation to introduce legislation authorizing Tennessee to restore fairness to its road funding revenue structure by allowing the distribution of discount cards to Tennessee residents that would allow Tennessee residents to pay a lower tax rate on gasoline and diesel fuel than out-of-state drivers or receive a rebate.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be transmitted to all members of the Tennessee Congressional Delegation.